

**JUVENILE COURT FOR CADDO PARISH
SHREVEPORT, LOUISIANA**

**ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2011**

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Financial Statements
And Independent Auditor's Reports
As of and for the Year Ended December 31, 2011

Table of Contents

	Page
Independent Auditor's Report	1-2
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Assets	3
Statement of Activities.....	4
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet – Governmental Funds	5
Reconciliation of Fund Balances on the Balance Sheet for Governmental Funds to Net Assets of Governmental Activities on the Statement of Net Assets	6
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds.....	7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	8
Notes to the Financial Statements.....	9-23
Required Supplemental Information:	
Budgetary Comparison Schedules:	
Judicial Expense Fund	24
Notes to Required Supplementary Information	25

**JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana**

**Financial Statements
And Independent Auditor's Reports
As of and for the Year Ended December 31, 2011**

Table of Contents – Continued)

	Page
Other Supplemental Information:	
Schedule of Federal TANF Revenues and Expenditures	26
Other Reports Required by <i>Government Auditing Standards</i> and the Louisiana Audit Guide	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27-28
Audit Findings:	
Schedule of Audit Findings	29-33
Summary Schedule of Prior Audit Findings	34
Management's Corrective Action Plan.....	35

INDEPENDENT AUDITORS' REPORT

WILLIAM E. WEATHERFORD, CPA, LLC
CERTIFIED PUBLIC ACCOUNTANT

Independent Auditor's Report

The Honorable Judges
Juvenile Court for Caddo Parish
Shreveport, Louisiana 71101

I have audited the accompanying financial statements of the governmental activities, and each major fund of the Juvenile Court for Caddo Parish, Shreveport, Louisiana, as of and for the year ended December 31, 2011, which collectively comprise the Juvenile Court for Caddo Parish's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the management of the Juvenile Court for Caddo Parish, Shreveport, Louisiana. My responsibility is to express opinions on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform my audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinions.

An audit includes consideration of internal controls over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Juvenile Court for Caddo Parish's internal control over financial reporting. Accordingly, I express no such opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Juvenile Court for Caddo Parish, Shreveport, Louisiana as of December 31, 2011, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued my report dated September 28, 2012 on my consideration of the Juvenile Court for Caddo Parish, Shreveport, Louisiana's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* and should be considered in assessing the results of my audit.

The Juvenile Court for Caddo Parish, Shreveport, Louisiana, has not presented management's discussion and analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Accounting principles generally accepted in the United States of America also require budgetary comparison information on pages 24 and 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic and historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Juvenile Court for Caddo Parish, Shreveport, Louisiana's financial statements taken as a whole. The accompanying financial information listed as "other supplementary information" in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of federal TANF revenues and expenditures is presented for purposes of additional analysis as required by the Supreme Court Drug Court Office and is also not a required part of the financial statements. The schedule of federal TANF revenues and expenditures is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

William E. Weatherford, CPA, LLC

William E. Weatherford, CPA, LLC
Shreveport, Louisiana
September 28, 2012

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

JUVENILE COURT FOR CADD0 PARISH
Shreveport, Louisiana

Statement of Net Assets
December 31, 2011

	Governmental Activities
Assets:	
Cash and cash equivalents	\$ 107,584
Investments	421,684
Receivables	57,345
Prepaid expenses	3,668
Capital assets, net of accumulated depreciation	25,363
Total Assets	<u>615,644</u>
Liabilities:	
Accounts payable	15,701
Deferred revenue	202
Total Liabilities	<u>15,903</u>
Net Assets:	
Invested in capital assets	25,363
Unrestricted	574,378
Total Net Assets	<u><u>\$ 599,741</u></u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Statement of Activities
For the Year Ended December 31, 2011

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenues and Changes in Net Assets</u>
Governmental Activities:					
Judicial	\$ 578,716	\$ 405,104	\$ 169,873	\$ 15,781	<u>\$ 12,042</u>
			General revenues:		
			Interest and investment earnings		6,415
			Other		<u>338</u>
			Total general revenues		<u>6,753</u>
			Change in net assets		18,795
			Net Assets at Beginning of Year		<u>580,946</u>
			Net Assets at End of Year		<u><u>\$ 599,741</u></u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

JUVENILE COURT FOR CADD0 PARISH
Shreveport, Louisiana

Balance Sheet
Governmental Funds
December 31, 2011

	Judicial Expense Fund	Child Support Fund	General Fund	Total Governmental Funds
Assets:				
Cash and cash equivalents	\$ 12,238	\$ 61,183	\$ 34,163	\$ 107,584
Investments	37,999	378,095	5,590	421,684
Receivables	176	27,480	29,689	57,345
Due from other funds	54,000	-	-	54,000
Prepaid expenses	3,668	-	-	3,668
Total Assets	<u>\$ 108,081</u>	<u>\$ 466,758</u>	<u>\$ 69,442</u>	<u>\$ 644,281</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable	\$ 103	\$ 5,870	\$ 9,728	\$ 15,701
Due to other funds	-	-	54,000	54,000
Deferred revenues	-	-	202	202
Total liabilities	<u>103</u>	<u>5,870</u>	<u>63,930</u>	<u>69,903</u>
Fund Balances:				
Nonspendable	3,668	-	-	3,668
Restricted to:				
Support enforcement	-	460,888	-	460,888
Committed to:				
Drug court	-	-	5,512	5,512
Unassigned	104,310	-	-	104,310
Total fund balances	<u>107,978</u>	<u>460,888</u>	<u>5,512</u>	<u>574,378</u>
Total Liabilities and Fund Balances	<u>\$ 108,081</u>	<u>\$ 466,758</u>	<u>\$ 69,442</u>	<u>\$ 644,281</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Reconciliation of Fund Balances on the Balance Sheet for Governmental
Funds to Net Assets of Governmental Activities on the Statement of Net Assets
December 31, 2011

Fund balances - total governmental funds	\$ 574,378
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Add - capital assets	176,755
Deduct - accumulated depreciation	<u>(151,392)</u>
Net assets of governmental activities	<u>\$ 599,741</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Statement of Revenues, Expenditures,
and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2011

	Judicial Expense Fund	Child Support Fund	General Fund	Total Governmental Funds
Revenues:				
Fees, charges, and commissions for services:				
Support enforcement fees	\$ -	\$ 300,996	\$ -	\$ 300,996
Court fees and costs	-	-	96,808	96,808
Restitution fees and fines	-	-	7,300	7,300
Intergovernmental:				
State grants:				
Juvenile Mental Health	-	-	24,783	24,783
Families in Need of Services	-	-	2,500	2,500
Louisiana Supreme Court:				
Family Drug Treatment Court	-	-	158,371	158,371
Earnings on investments	564	5,553	298	6,415
Other	-	-	338	338
Total revenues	<u>564</u>	<u>306,549</u>	<u>290,398</u>	<u>597,511</u>
Expenditures:				
Current:				
Caddo Parish costs	-	215,000	37,000	252,000
Costs to other governmental agencies	-	-	8,720	8,720
Dues	1,825	-	-	1,825
Education, travel and training	20,353	4,652	-	25,005
Employee benefits reimbursement	-	11,567	-	11,567
Family Drug Treatment Court:				
Administrative	-	-	94,226	94,226
Other	-	-	12,887	12,887
Testing and laboratory	-	-	2,897	2,897
Travel and training	-	-	12,663	12,663
Treatment	-	-	45,136	45,136
Indigent Defender fees	-	30,000	-	30,000
Insurance	2,323	-	-	2,323
Library	105	-	-	105
Miscellaneous	-	4	2,104	2,108
Office costs	875	3,219	-	4,094
Professional services	-	38,873	10,885	49,758
Reparations to crime victims	-	-	14,755	14,755
Capital Outlay	1,086	-	15,781	16,867
Total expenditures	<u>26,567</u>	<u>303,315</u>	<u>257,054</u>	<u>586,936</u>
Excess (deficiency) of revenues over (under) expenditures	(26,003)	3,234	33,344	10,575
Other Financing Sources (Uses)				
Transfers in (out)	54,000	-	(54,000)	-
Net Change in Fund Balances	<u>27,997</u>	<u>3,234</u>	<u>(20,656)</u>	<u>10,575</u>
Fund Balances at Beginning of Year	79,981	457,654	26,168	563,803
Fund Balances at End of Year	<u>\$ 107,978</u>	<u>\$ 460,888</u>	<u>\$ 5,512</u>	<u>\$ 574,378</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2011

Net change in fund balances - total governmental funds	\$ 10,575
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Amounts reported for governmental activities in the
statement of activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of
those assets is allocated over their estimated useful
lives and reported as depreciation expense. This is the
amount by which capital outlays (\$16,867) exceeds
depreciation expense (\$8,647) in the current period

8,220

Change in net assets of governmental activities

<u>\$ 18,795</u>

5

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

NOTES TO THE FINANCIAL STATEMENTS

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

INTRODUCTION

The Juvenile Court for Caddo Parish (the Court) is provided for under Louisiana Revised Statutes Sections 13:1564 through 13:1565. Three elected judges serve as the governing body of the Court. All sessions of the Court shall be held separate and apart from the First Judicial District Court in quarters to be provided by the governing authority of Caddo Parish (the Caddo Parish Commission). The Caddo Parish Commission is required to make all necessary provisions for the proper conduct of the Court and to provide for all necessary expenses in connection with the operation of the Court, except for expenses directly related to employees of the Caddo Parish Clerk of Court who serves as the ex officio clerk of the Juvenile Court, including stenographer's hire and all necessary and legitimate expenses incurred by the probation officers in the discharge of their official duties.

The Court has exclusive juvenile jurisdiction in Caddo Parish including, but not limited to all juvenile violations, abuse and neglect, delinquency, traffic, non-support issues, and all other administrative and judicial matters involving juveniles in Caddo Parish, Louisiana.

During 2007, through an intergovernmental Agreement between the Caddo Parish Commission and the Court, all programs involving care and rehabilitation of juveniles and the related resources of the Court were transferred to the Department of Juvenile Services, created by Caddo Parish Commission Ordinance 4484.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting methods and procedures adopted by the Court conform to generally accepted accounting principles (GAAP) as applied to governmental entities. The Court applies all relevant Government Accounting Standards Board (GASB) pronouncements. GASB is the accepted standard-setting body for establishing governmental accounting reporting standards. GAAP, as applicable to governments, also conforms to requirements of Louisiana R.S. 24:517 and the guides set forth in the industry guide, *Audits of State and Local Government Units*, published by the American Institute of Certified Public Accountants. The following notes to the financial statements are an integral part of the Court's financial statements.

The following is a summary of the significant accounting policies:

A. Reporting Entity

As the governing authority of the parish, for reporting purposes, the Caddo Parish Commission is the financial reporting entity for Caddo Parish. The financial reporting entity consists of (a) the primary government (Parish Commission), (b) organizations for which the primary government is financially responsible, and (c) other organizations for which the nature and significance of their

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

A. Reporting Entity – (Continued)

relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Caddo Parish Commission for financial reporting purposes. The basic criterion for including a potential component unit within a reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability.

These criteria include:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Caddo Parish Commission to impose its will on that organization and / or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Caddo Parish Commission.
2. Organizations for which the Commission does not appoint a voting majority but are fiscally dependent on the Caddo Parish Commission.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

The Caddo Parish Commission has determined that the Court is not a component unit of the parish because it is legally separate from the Commission and is governed by independently elected officials. The Commission is not considered to be accountable for the Court due to the inability of the Commission to impose its will over the daily operations. While some financial burdens are placed on the Commission by the Court, it is not significant enough to warrant inclusion in the reporting entity.

Using the above criteria, it was also determined that the Court has no component units.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

A. Reporting Entity – (Continued)

The accompanying financial statements include all organizations, activities, and functions that comprise the Court and do not present information on the Caddo Parish Commission, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

The accompanying basic financial statements of the Court have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

C. Fund Accounting

The Court uses funds to maintain its financial records during the year. Each fund is accounted for by a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. The individual funds account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations, or other restrictions. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

The funds are grouped into one fund type as described below:

Governmental Funds – Governmental funds account for all of the Court's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between the governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations. The following are the Court's governmental funds:

- ***Judicial Expense Fund:*** - accounts for fees, fines, and costs imposed and collected by the Court. The funds collected are under the control of the juvenile judges and may be used for any operating expense of the Court including salaries for court reporters and other personnel, establishing and maintaining a law library, and buying

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)

C. Fund Accounting – (Continued)

or maintaining any type of equipment, supplies, or other items germane to or consistent with the efficient operation of the Court. However, no judge's salary may be paid from the Judicial Expense Fund.

Special Revenue Funds: Special revenue funds are used to account for the proceeds of specific revenue resources that are legally restricted to expenditure for specific purposes. The Court has two special revenue funds:

- ***Child Support Fund*** - accounts for a five per cent (5%) fee assessed in non-support cases that are processed through the state's Child Support Enforcement Program.
- ***General Fund***- accounts for revenues received through state and federal grants for Family Drug Treatment Court, Juvenile Mental Health, and Families in Need of Services.

D. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Government-wide Financial Statements (GWFS)

The statement of net assets and the statement of activities report information on all of the financial activities of the Court as a whole. Information contained in these statements reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment of the Court's activities is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurements Focus (Continued)

Government-wide Financial Statements (GWFS) (Continued)

A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues reduce the cost of the function to be financed by the Court's general revenues. Program revenues included in the statement of activities are (1) derived directly from fees and charges paid by Court users who purchase, use or directly benefit from goods, services, or privileges provided by a given function, (2) operating grants and contributions, and (3) capital grants and contributions. For identifying to which function a program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted. Revenues not classified as program revenues are presented as general revenues, which includes interest earned and other items not properly included in program revenues.

The government-wide focus is more on the sustainability of the Court and the change in the Court's net assets resulting from the current year's activities.

Fund Financial Statements (FFS)

The fund financial statements report financial information by major and nonmajor funds. The emphasis of fund financial statements is on major governmental funds, each of which is displayed in a separate column. Nonmajor funds are aggregated and presented in a single column.

A fund is considered major if it is the primary operating fund of the Court or if it meets the following criteria:

- a. Total assets, liabilities, revenues or expenditures of that individual governmental fund are at least five percent (5%) of the total for all funds.
- b. The Court's management believes that the fund is particularly important to the financial statement users.

The Court considers the General Fund, the Child Support Fund, and the Judicial Expense Fund to be major funds.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurements Focus (Continued)

Fund Financial Statements (FFS) (Continued)

The amounts reflected in the fund financial statements are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (i.e. revenues and other financing sources) and uses (i.e. expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of the Court's operations.

The amounts reflected in the fund financial statements use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Court considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred. The governmental funds use the following practices in recording revenues and expenditures:

Revenues:

Court costs, fines and forfeitures are recognized as income in the year settled.

Revenue from federal and state grants is recognized when all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when resources are required to be used or the year when use is first permitted; matching requirements, in which the Court must provide local resources to be used for a specified purpose; and expenditure requirements, in which resources are provided to the Court on a reimbursement basis.

The fees for processing support payments are recognized in the period the payments are due.

Substantially all other revenues are recorded when received by the Court.

Based on the above criteria, state grants and fees for processing support payments are treated as susceptible to accrual.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting and Measurements Focus (Continued)

Fund Financial Statements (FFS) (Continued)

Expenditures:

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Salaries and related payroll taxes and benefits are recorded when employee services are provided to the Court.

Purchases of capital assets in the governmental funds are recorded as expenditures when purchased. Governmental fund capital assets are reported at cost, net of accumulated depreciation, only in the government-wide financial statements

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, interest bearing demand deposits, and savings deposits. Cash equivalents include short term, highly liquid investments with original maturities of 90 days or less when purchased. Under state law, the Court may deposit funds in demand deposits or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

F. Receivables

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Uncollectible amounts are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the receivable. At December 31, 2011, no amounts were deemed to be uncollectible.

G. Capital Assets

Capital assets are reported in the government-wide financial statements at historical cost. Additions, improvements or other capital outlays that significantly extend the useful life of an asset are capitalized. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Capital Assets (Continued)

The Court maintains a threshold level of \$500 or more for capitalizing assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over the following useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Equipment	3 years
Furniture and fixtures	5 years
Vehicles	5 years

H. Interfund Transactions

Resources belonging to particular funds are commonly shared with other funds that need access to additional resources. When resources are provided without the expectation of repayment, the transaction is reported as a transfer and is treated as a source of income by the recipient fund and as an expenditure by the providing fund. Quasi-external transactions, if any, are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed.

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the government-wide governmental statement of net assets.

I. Fund Equity

Beginning with the fiscal year ended December 31, 2010, the Court implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Court is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I. Fund Equity (Continued)

In the fund financial statements, governmental fund balance is presented in five possible categories:

- ***Nonspendable*** – resources which cannot be spent because they are either (a) not in spendable form (such as prepaid items) or; (b) legally or contractually required to be maintained intact.
- ***Restricted*** – resources with constraints placed on their use that are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- ***Committed*** – resources which are subject to limitations or constraints to specific purposes the government imposes upon itself at its highest level of decision making (the juvenile court judges). These amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint.
- ***Assigned*** – resources neither restricted nor committed for which the juvenile court judges have a stated intended use.
- ***Unassigned*** – resources which cannot be properly classified in one of the other four categories. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The juvenile court judges establish (and modify and rescind) fund balance commitments and assignments.

The Court would typically use restricted fund balances first, followed by committed resources and assigned resources as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

J. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents:

At December 31, 2011, the Court had cash and cash equivalents (book balances) totaling \$107,584. These funds were held for the Court by the Caddo Parish Commission in its pooled cash account. These deposits are stated at cost, which approximates market value. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank.

Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Caddo Parish Commission that the fiscal agent bank has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Caddo Parish Commission's name.

The cash equivalents of the Court are subject to the following risks:

Custodial Credit Risk: Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. At year end, the Caddo Parish Commission's deposits with financial institutions (its pooled cash accounts) were fully secured by federal deposit insurance and the pledge of securities.

Investments:

At December 31, 2011, the Court had investments with a fair value totaling \$421,684. These investments were held for the Court by the Caddo Parish Commission in its pooled investment account.

Investment securities are stated at fair value based on market quotations. The investments in LAMP are stated at fair value based upon quoted market rates. The fair value is determined on a weekly basis by LAMP and the value of the position in the external investment pool is the same as the value of the pool shares.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS – (Continued)

The investments of the Caddo Parish Commission are subject to the following risks:

Custodial Credit Risk of Investments:

Custodial credit risk of investments is the risk that, in the event of the failure of a counterparty, the Caddo Parish Commission will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The Caddo Parish Commission has not adopted a policy to address custodial credit risk of investments; however, the Caddo Parish Commission's investments in securities are protected by the Securities Investor Protection Corporation.

Interest Rate Risk:

This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, investments with longer maturities have a greater sensitivity to fair value due to changes in market interest rates. The Caddo Parish Commission's investment policy requires all securities to be investment grade obligations, but does not address specific credit quality ratings. The Caddo Parish Commission does not limit the amount that may be invested in the securities of any one issuer. In accordance with the investment policy, the maximum permitted maturity of any individual security in the Caddo Parish Commission's portfolio is five years. It is a further requirement that the overall portfolio be structured to provide a minimum cash flow, through maturities, equal to 20% of the portfolio balance on an annual basis.

Information about the exposure of the Caddo Parish Commission's investments to this risk, using the segmented time distribution model is as follows:

Investment Type	Fair Value	Investment Maturities (in Months)			
		0-6	6-12	12-24	Over 24
Federal National Mortgage Association	\$ 33,567,934	\$ -	\$ 4,041,911.00	\$ -	\$ 29,526,023
Federal Home Loan Mortgage Corporation	24,413,894	-	-	9,547,289	14,866,605
Federal Farm Credit Bank	36,123,860	1,517,733	574,623	1,327,418	32,704,086
Federal Home Loan Bank	41,987,454	2,780,599	4,956,210	10,264,589	23,986,056
Municipal Bonds	1,426,200	-	-	-	1,426,200
Louisiana Asset Management Pool	8,069,467	8,069,467	-	-	-
Total investments	<u>\$145,588,809</u>	<u>\$ 12,367,799</u>	<u>\$ 9,572,744</u>	<u>\$ 21,139,296</u>	<u>\$ 102,508,970</u>

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

2. CASH AND CASH EQUIVALENTS AND INVESTMENTS – (Continued)

Credit Risk:

Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. U. S. Government securities or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk exposure. The Caddo Parish Commission's investments comply with Louisiana Statutes (LSA R.S. 33:2955). Under state law, the Caddo Parish Commission may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Caddo Parish Commission may invest in United States bonds, treasury notes and bills, government backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Investments held at December 31, 2011 include \$8,069,467 invested with the Louisiana Asset Management Pool (LAMP), a local government investment pool. The Louisiana Asset Management Pool is administered by LAMP, Inc., a non-profit corporation organized under the laws of the State of Louisiana. Only local government entities having contracted to participate in LAMP have an investment interest in its pool of assets. The primary objective of LAMP is to provide a safe environment for the placement of public funds in short term, high quality investments. The LAMP portfolio includes only securities and other obligations in which local governments in Louisiana are authorized to invest in accordance with LSA-R.S. 33:2955.

The dollar weighted average portfolio maturity of LAMP assets is restricted to not more than 90 days, and consists of no securities with a maturity in excess of 397 days. LAMP is designed to be highly liquid to give its participants immediate access to their account balances.

LAMP, Inc. is subject to the regulatory oversight of the state treasurer and the board of directors. LAMP is not registered with the SEC as an investment company.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

3. RECEIVABLES

Receivables at December 31, 2011, consisted of drug court reimbursements, grant revenues, support enforcement fees, and interest income which were earned during December 2011 but not remitted by the collecting agency until after year-end.

	General Fund	Child Support Fund	Judicial Expense Fund	Total
Louisiana Supreme Court:				
Drug court reimbursement	\$ 22,780	\$ -	\$ -	\$ 22,780
State of Louisiana:				
Juvenile mental health grant	6,909	-	-	6,909
Office of Family Support:				
Support enforcement fees	-	26,012	-	26,012
Interest receivable	-	1,468	176	1,644
Totals	<u>\$ 29,689</u>	<u>\$ 27,480</u>	<u>\$ 176</u>	<u>\$ 57,345</u>

4. CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance 1/1/2011	Additions	Deletions	Balance 12/31/2011
Governmental Activities				
Depreciable capital assets:				
Computer equipment	\$ 110,183	\$ 2,386	\$ -	\$ 112,569
Office equipment	18,119	-	-	18,119
Furniture and fixtures	12,845	-	-	12,845
Vehicles	18,741	14,481	-	33,222
Total historical cost	<u>159,888</u>	<u>16,867</u>	<u>-</u>	<u>176,755</u>
Less accumulated depreciation:				
Computer equipment	(102,167)	(3,226)	-	(105,393)
Office equipment	(18,119)	-	-	(18,119)
Furniture and fixtures	(11,661)	(796)	-	(12,457)
Vehicles	(10,798)	(4,625)	-	(15,423)
Total accumulated depreciation	<u>(142,745)</u>	<u>(8,647)</u>	<u>-</u>	<u>(151,392)</u>
Governmental activities capital assets, net	<u>\$ 17,143</u>	<u>\$ 8,220</u>	<u>\$ -</u>	<u>\$ 25,363</u>

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

4. CHANGES IN CAPITAL ASSETS – (Continued)

For the year ended December 31, 2011, depreciation expense of \$8,647 was charged to the judicial function of governmental activities.

5. DUE FROM/TO OTHER FUNDS AND OPERATING TRANSFERS

Amounts due from and to other funds as reported in the fund financial statements at December 31, 2011, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Judicial Expense Fund	General Fund	<u>\$ 54,000</u>

In the ordinary course of business, the Court routinely transfers resources between its funds. Transfers are used to (1) move revenues from the fund required by statute or budget to collect them to the fund required by statute or budget to expend them, and (2) use unrestricted revenues to finance various programs accounted for in other funds in accordance with budgetary authorizations. The interfund transfers during the year ended December 31, 2011 are as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Judicial Expense Fund	General Fund	<u>\$ 54,000</u>

6. RELATED PARTY TRANSACTIONS

Procedures, observations and inquiries did not disclose any material related party transactions for the fiscal year ended December 31, 2011.

7. EXPENDITURES MADE AND SERVICES PROVIDED BY OTHER GOVERNMENTS

Louisiana Revised Statute RS 13:1565 requires the Caddo Parish Commission to make all necessary provisions for the proper conduct of the business of the Court and to provide all necessary expenses in connection with the operation of the Court. The Caddo Parish Commission provides the Court with facilities for operation of the Court, and the related utility costs for such facilities, bookkeeping services, employee salaries and benefits, and other costs necessary for proper operation of the Court.

Louisiana Revised Statute RS 13:1565.1 requires the Caddo Parish Clerk of Court (clerk of the First Judicial District Court) to be the ex officio clerk of the juvenile court. The Caddo Parish Clerk of Court is responsible for expenses directly related to employees performing clerk of the juvenile court duties.

These costs are not determinable and are not included in the accompanying basic financial statements.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Notes to the Financial Statements
December 31, 2011

8. LITIGATION

The Court was not involved in any litigation at December 31, 2011.

9. SUBSEQUENT EVENTS

Subsequent events have been evaluated through September 28, 2012, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION

BUDGETARY COMPARISON SCHEDULES

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Budgetary Comparison Schedule
Judicial Expense Fund
For the Year Ended December 31, 2011

	Original Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:			
Earnings on investments	\$ -	\$ 564	\$ 564
Total revenues	-	564	564
Expenditures:			
Current:			
Accounting and audit services	2,000	-	2,000
Dues	2,000	1,825	175
Education, travel and training	16,500	20,353	(3,853)
Insurance	6,000	2,323	3,677
Library	6,000	105	5,895
Office costs	8,500	875	7,625
Capital Outlay.	13,000	1,086	11,914
Total expenditures	54,000	26,567	27,433
Excess (deficiency) of revenues over expenditures	(54,000)	(26,003)	27,997
Other Financing Sources (Uses):			
Transfers in (Out)	54,000	54,000	-
Net Change in Fund Balances	-	27,997	27,997
Fund Balances at Beginning of Year	79,981	79,981	-
Fund Balances at End of Year	\$ 79,981	\$ 107,978	\$ 27,997

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

JUVENILE COURT FOR CADDOPARISH
Shreveport, Louisiana

Notes to Required Supplementary Information
December 31, 2011

The proposed budget for the Judicial Expense Fund is prepared on the modified accrual basis of accounting which is consistent with Generally Accepted Accounting Principles (GAAP).

The Louisiana Local Government Budget Act provides that “the total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing year”. The “total estimated funds available” is the sum of the estimated fund balance at the beginning of the year and the anticipated revenues for the current year.

Through the budget, the Court allocates its resources and establishes its priorities. The annual budget assures the efficient and effective use of the Court’s economic resources. It establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the Court’s performance.

The budget is structured such that revenues are budgeted by source and appropriations are budgeted by principal type of expenditure. Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year end. The juvenile court judges may revise or amend the budget at their discretion. Management may not amend the budget.

OTHER SUPPLEMENTAL INFORMATION

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Schedule of Federal TANF Revenues and Expenditures
For the Year Ended December 31, 2011

Federal Grantor/ Pass-Through Grantor/ Program Title	CFDA Number	Federal Revenues	Federal Expenditures
Department of Health and Human Services:			
Supreme Court Drug Court Office:			
Temporary Assistance for Needy Families:	93.558	\$ 35,476	\$ -
Administrative personnel		-	24,063
Treatment		-	10,621
Testing and laboratory		-	312
Office expense		-	12
Travel and training		-	468
Totals		<u>\$ 35,476</u>	<u>\$ 35,476</u>

Supplementary Information.
Presented for purposes of additional analysis only.
See the accompanying independent auditor's report.

**OTHER REPORTS REQUIRED BY
GOVERNMENT AUDITING STANDARDS
AND THE LOUISIANA GOVERNMENTAL AUDIT GUIDE**

The following independent auditor's report on internal control over financial reporting and on compliance and other matters is presented in compliance with requirements of *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.

WILLIAM E. WEATHERFORD, CPA, LLC
CERTIFIED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

The Honorable Judges
Juvenile Court for Caddo Parish
Shreveport, Louisiana 71101

I have audited the financial statements of the governmental activities and each major fund of the Juvenile Court for Caddo Parish, Shreveport, Louisiana as of and for the year ended December 31, 2011, which collectively comprise the Juvenile Court for Caddo Parish, Shreveport, Louisiana's basic financial statements and have issued my report thereon dated September 28, 2012. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the Juvenile Court for Caddo Parish, Shreveport, Louisiana, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing my audit, I considered the Juvenile Court for Caddo Parish, Shreveport, Louisiana's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Juvenile Court for Caddo Parish, Shreveport, Louisiana's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Juvenile Court for Caddo Parish, Shreveport, Louisiana's internal control over financial reporting.

A **deficiency in internal control** exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A **material weakness** is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above.

However, I identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of audit findings, that I consider to be significant deficiencies in internal control over financial reporting. Items 11-1 and 11-2. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Juvenile Court for Caddo Parish, Shreveport, Louisiana's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of audit findings as items 11-3 and 11-4.

The Juvenile Court for Caddo Parish, Shreveport, Louisiana's response to the findings in my audit is included in the accompanying "Management's Corrective Action Plan". I did not audit the Juvenile Court for Caddo Parish, Shreveport, Louisiana's response, and accordingly, I express no opinion on it.

This report is intended solely for the information and use of the Juvenile Court for Caddo Parish, Shreveport, Louisiana, the Louisiana Legislative Auditor, and management and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is a public document and its distribution is not limited.

William E. Weatherford, CPA, LLC

William E. Weatherford, CPA, LLC
Certified Public Accountant
Shreveport, Louisiana
September 28, 2012

AUDIT FINDINGS

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Schedule of Audit Findings
December 31, 2011

FINDINGS RELATED TO INTERNAL CONTROL

Item -11-1

Criteria or specific requirement:

Effective internal control requires a proper segregation of incompatible duties.

Condition:

The cashier performs substantially all significant cash receipt and deposit functions. These duties include, but are not limited to, collecting fees, entering and classifying accounting data, and preparing deposits.

Questioned costs:

None

Context:

Court employees are performing incompatible accounting duties without appropriate mitigating procedures being performed.

Effect:

Without a proper segregation of duties, errors or fraud could occur and not be detected, increasing the risk of loss or theft of assets.

Cause:

The Court does not have a sufficient number of employees to allow proper segregation of incompatible duties.

Recommendation:

The Court should consider hiring an additional employee so that incompatible duties can be properly segregated.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Schedule of Audit Findings
December 31, 2011

Item -11-2

Criteria or specific requirement:

Effective internal control requires the use of control accounts in the general ledger for amounts payable to others.

Condition:

The general ledger for the General Fund does not include a control account for amounts collected for restitution, attorney's fees, and child support that are collected by the Court and subsequently dispersed to others.

Questioned costs:

None

Context:

Amounts collected by the Court for child support, attorney's fees, and restitution are recorded in the general ledger of the General Fund as income and disbursements to others for whom the funds are collected are recorded as expenditures. The net amount of funds collected but not disbursed is not reported as an outstanding liability on the general ledger.

Effect:

Income is overstated by the amount of child support, attorney's fees and restitution collected and expenditures are overstated by the amount of these funds disbursed during the year. Not utilizing a liability account as a control account for these funds allows an opportunity for errors or fraud to occur and not be detected in a timely manner.

Cause:

The general ledger for the General Fund maintained by the Caddo Parish Commission does not have a controlling liability account for amounts collected by the Court for child support, attorney's fees and restitution.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Schedule of Audit Findings
December 31, 2011

Recommendation:

The Court should request that a liability account for child support, attorney's fees and restitution collected be added to the general ledger for the General Fund. Amounts collected for these purposes should be recorded as a liability and payments made should be recorded as a reduction in the liability. An unnatural (debit) balance in the account would indicate an error or irregularity that would be easily recognized in a timely manner so that it could be promptly investigated by management.

FINDINGS RELATED TO COMPLIANCE

Item: 11- 3

Criteria or specific requirement:

Louisiana Revised Statute (LSA-R.S.) 24:513(A) (5) (a) requires "audits shall be completed within six months of the close of the entity's fiscal year".

Condition:

The Court's annual financial audit was not completed and filed with the Louisiana Legislative Auditor on or before June 30, 2012.

Questioned costs:

None

Context:

The Court's annual financial audit was not completed and filed with the Louisiana Legislative by June 30, 2012. An extension of time to file the annual audited financial statements was requested and approved by the Louisiana Legislative Auditor.

Effect:

The Court is in non-compliance with Louisiana Revised Statute 24:513(A) (5) (a)

Cause:

The certified public accountant was engaged to perform the annual audit on May 25, 2012. He was unable to complete the engagement by June 30, 2012.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Schedule of Audit Findings
December 31, 2011

Recommendation:

The annual financial statements should be issued on or before June 30 in accordance with the requirements of Louisiana Revised Statute 24:513(A) (5) (a).

Item: 11- 4

Criteria or specific requirement:

Louisiana Revised Statute (LSA-R.S.) 13:1565.2 requires court fines and any other court assessed imposed fees and court costs to be placed in a separate account to be designated as the Judicial Expense Fund for the Juvenile Court for Caddo Parish.

Condition:

Court assessed imposed fees and court costs are deposited into the General Fund for the Juvenile Court for Caddo Parish.

Questioned costs:

None

Context:

The Court assessed imposed fees and court costs are deposited into the General Fund for the Juvenile Court for Caddo Parish when collected. Subsequently, a portion of the collected fees and costs are transferred from the General Fund to the Judicial Expense Fund.

Effect:

The Court assessed imposed fees and court costs are not deposited appropriately into the Judicial Expense Fund for the Juvenile Court for Caddo Parish.

Cause:

Management was unaware of the requirement to deposit assessed imposed fees and court costs directly into the Judicial Expense Fund for the Juvenile Court for Caddo Parish.

JUVENILE COURT FOR CADDO PARISH
Shreveport, Louisiana

Schedule of Audit Findings
December 31, 2011

Recommendation:

Court assessed imposed fees and court costs should be deposited directly into the Judicial Expense Fund for the Juvenile Court for Caddo Parish and recorded as revenue in that fund.

JUVENILE COURT FOR CADDOPARISH
Shreveport, Louisiana

Summary Schedule of Prior Audit Findings
December 31, 2011

PRIOR YEAR AUDIT FINDINGS RELATED TO INTERNAL CONTROL

Item -10-1

Condition:

The cashier performs substantially all significant accounting functions. These duties include, but are not limited to, collecting fees, entering and classifying accounting data, and preparing deposits.

Status:

Not resolved, see similar finding: Item 11-1.

PRIOR YEAR AUDIT FINDINGS RELATED TO COMPLIANCE

Item: 10-2

Condition:

The Court's annual financial audit was not completed and filed with the Louisiana Legislative Auditor on or before June 30, 2011.

Status:

Not resolved, see similar finding: Item 11-3.

Item: 10-3

Condition:

The total actual revenues and other sources within the General Fund failed to meet total budgeted revenues and other sources by five percent or more.

Status:

Resolved.



JUVENILE COURT FOR CADDO PARISH

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**MICHELLE PERKINS
HEARING OFFICER
(318) 226-6756**

MANAGEMENT'S CORRECTIVE ACTION PLAN

The Juvenile Court for Caddo Parish, Shreveport, Louisiana, submits the following corrective action plan for the Schedule of Audit Findings. The responses are numbered consistently with the numbers assigned in the schedule.

Item 11-1 – Improper Segregation of Incompatible Duties

The Court will implement procedures to mitigate internal control risk. However, hiring additional personnel to provide proper segregation of conflicting duties is not considered economically feasible at this time.

Item 11-2 – Control Account for Amounts Due to Others

The Court will request that the Caddo Parish Commission add a liability account to the general ledger of the General Fund for amounts due to others. Collections and disbursements made for child support, attorney's fees and restitution will be recorded in this liability account.

Item 11-3 – Timely Filing of Annual Audit Report

The Court will immediately engage a certified public accountant to perform the 2012 annual financial audit. The report will be filed with the Louisiana Legislative Auditor on or before June 30, 2013.

Item 11-4 – Deposit of Fees and Costs to the Judicial Expense Fund

The Court will deposit fees and court costs directly into the Judicial Expense Fund for the Juvenile Court for Caddo Parish and record them as revenue in that fund.